

# PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

PHILIP Y. BROWN, ESQ., *Chairman*

JOSEPH E. CONNARTON, *Executive Director*

Auditor SUZANNE M. BUMP | JOHN B. LANGAN | JAMES M. MACHADO | DONALD R. MARQUIS | ROBERT B. MCCARTHY

## MEMORANDUM

TO: Everett Retirement Board

FROM: Joseph E. Connarton, Executive Director

RE: Approval of Funding Schedule

DATE: October 30, 2014

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on July 1 of each fiscal year. The schedule is effective in FY15 (since the amount under the prior schedule was maintained in FY15) and is acceptable under Chapter 32.

If you have any questions, please contact PERAC's Actuary, Jim Lamenzo, at (617) 666-4446, extension 921.

JEC/jrl

Enc.



Everett Retirement System  
January 1, 2014 Actuarial Valuation

Total Cost increasing 4.5% per year

<u>Fiscal Year</u>	<u>Normal Cost</u>	<u>Net 3(8)(c)</u>	<u>Amort. of UAL</u>	<u>Amort. of 2002 ERIP</u>	<u>Amort. of 2003 ERIP</u>	<u>Amort. of 2010 ERIP</u>	<u>Total Cost</u>	<u>Unfunded Act. Liab.</u>	
2015	2,764,803	130,000	9,688,933	60,238	196,759	170,010	13,010,743	123,446,096	
2016	2,889,219	130,000	10,138,436	62,949	205,613	170,010	13,596,226	122,113,243	4.50%
2017	3,019,234	130,000	10,608,166	65,781	214,866	170,010	14,208,057	120,180,294	4.50%
2018	3,155,099	130,000	11,099,034	68,741	224,535	170,010	14,847,419	117,578,385	4.50%
2019	3,297,079	130,000	11,611,991	71,835	234,639	170,010	15,515,553	114,232,310	4.50%
2020	3,445,447	130,000	12,148,031	75,067	245,198	170,010	16,213,753	110,059,984	4.50%
2021	3,600,493	130,000	12,708,193	78,445	256,232	170,010	16,943,372	104,971,858	4.50%
2022	3,762,515	130,000	13,293,562	81,975	267,762	170,010	17,705,824	98,870,300	4.50%
2023	3,931,828	130,000	13,905,272	85,664	279,811	170,010	18,502,586	91,648,908	4.50%
2024	4,108,760	130,000	14,714,520	89,519	292,403		19,335,202	83,191,782	4.50%
2025	4,293,654	130,000	15,382,523	93,548	305,561		20,205,286	73,372,729	4.50%
2026	4,486,869	130,000	16,080,587	97,757	319,311		21,114,524	62,054,407	4.50%
2027	4,688,778	130,000	16,810,063	102,156	333,680		22,064,677	49,087,400	4.50%
2028	4,899,773	130,000	18,027,815				23,057,588	34,309,217	4.50%
2029	5,120,263	130,000	17,543,211				22,793,473	17,543,211	-1.15%
2030	5,350,675	130,000					5,480,675	0	-75.96%

Appropriation payments assumed to be made July 1 of each fiscal year.

Normal cost assumed to increase 4.5% per year.

Assumed expenses of \$350,000

FY15 amount maintained at level of current funding schedule.

Total cost increases 4.5% per year to FY28 with a final amortization payment in FY29.